

**Joint Finance/Utility Committee Meeting Minutes**  
**August 1, 2006**

**Chairman Jones** called the meeting to order at 7:10 p.m. and the Clerk confirmed that appropriate notice was given.

**Members present:** Mayor Sullivan and Aldermen Jones, Cochrane, Antonneau and Gross

**Members absent:** Alderman Snyder and Larsen

**Staff present:** Gard, Lamp, Gallo, Duffy, Maurer, Frye, Kitsembel, Bednarski, Langhor, Beguhn, Molitor, Dodge and Coenen

**Others present:** Aldermen Hollatz and Morgan, Attorney Chapman and Sugden

**2. Review 2005 Audit Report:** Kitsembel introduced Tom Karman, Schenck Solutions SC, and turned over the reporting to him. Karman referred to Page 12 of the audit and stated the audit was completed in accordance with Government Auditing Standards. They have rendered an unqualified or clean opinion on the City's 2005 financial statements. Under General Government Operations, the General Fund balance is just over \$5 million due mainly to favorable variances. The City is in a strong position. Staff was also well prepared and helpful during the audit process.

It was asked of Karman how the recent change of impact fee law would affect the City. The City's responsibility is to collect the fees and appropriately spend it. The City is only recording revenues when they are received and they are kept in separate funds or accounts. Water operations are in good condition, as shown on Pages 4 & 5. Electric operations are generally in good shape and if you look at Page 3, the trend has been that income is going down. The Electric Utility has not had a rate increase since 1992, and in fact, in 1996 the rates were decreased. Karman is recommending the City do an electric rate study. Staff has a meeting set with WPPI on August 24<sup>th</sup> to discuss an electric rate study.

Finally, our 2005 Report has been submitted for a GFOA Award (Certificate of Achievement or Excellence in Financial Reporting), but it will take awhile to find out if we will receive the award. The City did receive this award for our 2004 Comprehensive Annual Financial Report.

There being no further business to properly come before this meeting, a motion to adjourn was made by Cochrane, second by Gross. Motion carried 4-0. The meeting adjourned at 7:22 p.m.

Minutes taken by  
Diane Coenen, City Clerk  
Ald. Gross, Secretary